

**We promote and protect the
health and safety of Idahoans.**

American Recovery and Reinvestment Act Analysis

Department of Health and Welfare

**Health and Human Service Impacts
American Recovery and Reinvestment Act**

**Richard Armstrong
Director**

March 9, 2009

Federal Medical Assistance Percentage--FMAP

- **Reduction of General Funds in Medicaid: \$52 million in SFY 2009; \$73 million in SFY 2010.**
- **Federal mechanism to distribute money to states to preserve the most critical programs and infrastructure.**
- **Maintaining holdbacks is critical. Reductions promote good public policy or position Medicaid to be sustainable.**
- **Even with holdbacks, Medicaid estimates it will need additional \$15 million for SFY 2011; \$124 million for SFY 2012.**

Weatherization

- **Replaces windows, caulking, heat sources; upgrades appliances.**
- **Targets low-income seniors, people with disabilities and families with children under 6 years of age.**
- **1,400 homes currently weatherized annually.
Funding could triple number of homes weatherized.**
- **Increases grant from \$2,500 to \$6,500 per house.**

Weatherization

- **Supports construction jobs and Idaho appliance and weatherization businesses.**
- **Provides opportunity to partner with utilities and stakeholders to ensure targeted homes realize long-term energy efficiency. Accountability is a priority.**
- **Will address current weatherization waiting lists in every region.**
- **Will utilize list of 45,000 people who applied for Low Income Home Energy Assistance as candidates.**

Immunizations

- **\$2.9 million available to purchase vaccines for children not covered by federal government.**
- **Holdback of \$2.7 million for SFY 2010 had eliminated funding for state vaccine purchases. Stimulus act allows purchase of vaccine for 2010.**
- **By accepting stimulus funding, program can explore other funding sources to maintain free vaccines, while developing transition plan to reduce impact on providers and minimize effect on immunization rates.**

Child Support

- **Idaho Child Support Program receives \$3 million incentive for high performance. Stimulus allows performance bonus to leverage federal funds, freeing up \$3 million general funds.**
- **Child Support requests \$1.3 million of \$3 million for one-time expense to convert over 100,000 paper case files to electronic files. If approved, remaining \$1.7 million is reverted to state general funds.**
- **Digital case files saves staff time, reduces customer service delays caused by copying and shipping files. With growing caseloads, efficiency is necessary to maintain program performance incentives.**

Infant Toddler

- **Early intervention helps Idaho children from birth to age 3 with developmental delays or disabilities.**
- **Served 3,700 of Idaho's youngest citizens in 2008.**
- **\$2.4 million in stimulus provides a one-time opportunity to accomplish much-needed improvements to system, staff training and equipment.**
- **Positions program to better serve children in future.**

Infant Toddler: Projects for Funding

- **New data system frees up therapists' time to provide more therapy.**
- **Training staff in proven and effective techniques leads to improved outcomes.**
- **New equipment to test newborn, infant and toddler hearing replaces outdated systems. Loaner hearing aids for the Idaho School for the Deaf and Blind gives children better access to latest technology.**
- **Expanding existing video conferencing sites allows therapists to coach families in rural areas.**

Idaho Child Care Program

- **Subsidizes child care expenses for low-income households. Currently spends \$24 million on 7,300 children. One-third of funding is TANF.**
- **\$11.5 million available through stimulus.**
- **\$8.7 million in stimulus could replace TANF funding for child care, freeing up more versatile TANF funds.**
 - **TANF funds can be carried forward for future expenses or used for critical family preservation activities.**
 - **Example: There are increasing reports of families in danger of becoming homeless. TANF funds can be used for rent and utility payments to prevent homelessness.**
 - **TANF funds give the State flexibility to meet emergency situations.**

Idaho Child Care Program

- **Stimulus bill may increase employment and demand for child care. If that occurs, stimulus money will be needed to pay for services.**
- **Idaho ranks low in child care standards. Part of child care stimulus funding is designated for quality improvement activities.**

Food Stamps

- **128,809 Idahoans received Food Stamps in January, a 5,600 increase from December.**
- **Over the last year, Food Stamps increased at a record-breaking 32%. Continued double-digit growth is expected for the next year.**
- **13.6% increase in Food Stamp benefits begins April 1. Provides each enrolled Idaho recipient an average of \$125 per month, up from \$110. Increase requires no new rules or legislation.**
- **\$1.1 million available to address record breaking caseload increases. Funding can be used for data systems, workplace enhancements and temporary workers.**

WIC Program

- **Women, Infants and Children's program, or WIC, provides prescription food vouchers for pregnant and nursing women, and their children, based on nutritional risks.**
- **Average voucher: \$55 a month. 47,000 women and children enrolled.**
- **12 percent caseload increase requires an additional \$3 million in funds. Without stimulus funding, women and children are placed on waiting list.**
- **\$2.4 million available to replace the 1994 WIC data management system. Stimulus funding is specifically appropriated to replace aging systems.**

Health Information Technology (HIT)

- **A number of opportunities available for state and medical providers.**
- **Two of the most important:**
 - 1. Convert Medicaid providers to electronic health records.**
 - 2. Connect Idaho hospitals, healthcare providers, imaging centers and labs to Idaho Health Data Exchange.**

Electronic Health Records

- **Federal regulation: Medicaid providers must convert to electronic health records.**
- **Few Idaho providers use electronic health records. Small clinics, especially in rural areas, are not pursuing due to costs.**
- **Stimulus package provides a means to recapture investment made to set up electronic systems and some of the maintenance costs for following years.**
- **Stimulus package may be only hope to convert many small providers to electronic health records.**

Idaho Health Data Exchange

- **Five year project connects hospitals, healthcare providers, imaging centers and labs. Each entity pays to connect to system.**
- **Phase 1 is underway, connecting first three hospitals, two labs.**
- **\$15 million can be applied for to pay one-time, system connection costs.**
- **Without stimulus, this one-time expense is paid by hospitals, labs and providers.**
- **Funding will accelerate completion of project.**

**We promote and protect the
health and safety of Idahoans.**

American Recovery and Reinvestment Act Analysis

Department of Health and Welfare

**Health and Human Service Impacts
American Recovery and Reinvestment Act**

**Richard Armstrong
Director**

March 9, 2009